

The PRESIDING OFFICER (Mr. WHITEHOUSE). Without objection, it is so ordered.

AMERICAN HOUSING RESCUE AND FORECLOSURE PREVENTION ACT OF 2008

Mr. ISAKSON. Mr. President, I rise for a moment to talk about the pending housing stimulus bill which we will vote on tomorrow and then, hopefully, it will quickly be delivered to the House where any differences we have can be worked out and agreed to. I come to talk about this issue because America faces a pending financial crisis that is founded in the housing market, with the troubled mortgages in the financial services sector, so much trouble that the current economic decline we have experienced and the current difficulties the stock market is experiencing are, in large measure, tied to the state of housing.

I commend Senators SHELBY and DODD. I actually thank the distinguished Senator from New York for the help he gave me on the tax credit on this bill.

This bill is not perfect, but it certainly improves tremendously the climate in the United States for housing. For a second I want to try and impress upon my colleagues how important this issue is and dispel some of the myths that have been put out there about this issue. First, unless we pass GSE reform, which means Fannie Mae and Freddie Mac, there is going to be little, if any, liquidity in the conventional mortgage market. This legislation is a good reform piece for Fannie and Freddie. It also provides provisions that will allow for forward commitments so that mortgage companies can make mortgages and fund them through Fannie and Freddie and get housing moving in the marketplace.

Second, it changes the loan limits on conventional and conventional jumbo loans to levels that are reflective of the values of housing.

Third, it provides for a housing tax credit, something I was proud to be a part of. I proved in 1974, the last time we had a crisis like this, that it is the one single thing we can do as a catalytic agent to drive buyers back to the housing market. So the solution is not a bailout but a stimulus to get buyers in there buying the inventory that was built over the last 12 months.

Fourth, there is a significant reform of FHA. Within that provision there is the creation of moneys for the refinancing of troubled subprime loans. There has been a lot of misinformation in the news media and misinformation in speeches on this floor, frankly, on whether this is a bailout or whether it is a good thing to do.

For a second I want to explain why it is absolutely not a bailout and why it is absolutely the right thing to do. Any loan that is refinanced, any subprime loan in trouble that is refinanced has to meet the following qualification: Its

equity has to be negative, meaning the house is worth less than what is owed against it; No. 2, the lender who holds the loan against that house has to agree to take the discount or take the hit on whatever the differential is in that negative value; No. 3, FHA will underwrite the new loan to refinance out the discounted balance of the loan to the lender, provided the individual is somebody who can qualify to amortize the loan. It forces the lender to take the hit which they are going to take eventually in a foreclosure, and it prevents the foreclosure. For the person in trouble, it gives them a chance to pay back over time and get their credit established and improve themselves and build equity in the house.

Most importantly, it benefits the next-door neighbor. I have heard so many people say we should not be helping somebody in trouble on a subprime loan. What do we say to the people who are making their payments and are not in trouble? The answer is, in most neighborhoods today where there is a foreclosure, values are going down, not up. You have John Q. Public who has made the monthly payments, has good credit. The house next door to him is foreclosed on. The grass grows. The lender sells at a deep discount. What happens, his equity is gone or is greatly reduced.

The combination of the housing stimulus in terms of the tax credit, combined with the ability to refinance out of the difficult subprime loan and the requirement that the lender take the deep discount they are going to ultimately have to recognize anyway, is a formula for rebuilding the housing market.

I know everybody here has a difficulty. There was one amendment—we will not be allowed any amendments—that I was very interested in offering in terms of the tax package. But I know the tree is filled up. There will be a managers' amendment. We will not be able to get to it. But you don't get everything you want in the Senate.

One thing we have to do is to improve the plight of the American people economically. There are two things overriding the average American and two things only: One is what they are paying at the pump for gasoline and, secondly, is the declining value of equity in their house. With passage of this bill, we can show hope for the housing market. We may stimulate the buying public to come back and solve it with good marketplace-based solutions rather than subsidies or a bailout and, most importantly, return to a more healthy mortgage market and a more disciplined mortgage market and a better underwritten mortgage market. Then secondly and most importantly, we can change attitudes. The attitudes of the buying public are pretty negative right now because the lenders can't make a loan. House values are going down. They want to buy, but they want to buy at the bottom. We have to send a signal that the lenders

are back in business making loans. Freddie Mac and Fannie Mae are back in business in terms of securitizing mortgage money and putting liquidity into the market, and values are stabilizing. So for whatever differences some Members have over the bill they would like to have versus the bill we do have, we should be reminded that every day we wait is a protraction of the current economic difficulty in the housing market. We cannot afford to leave this week without agreeing to the motion tomorrow and sending it to the House so the House, when they come back next week, can pass the legislation and the President can sign it and, by the middle to the end of July, the mortgage market, the housing market, and the buying public's attitude will be turned around. By doing that, we can hopefully have a light at the end of the tunnel that is not a locomotive but, rather, is a prosperous, healthy housing market and a disciplined, well capitalized, and liquid mortgage market.

It is critical that we pass this legislation. I urge my fellow Senators to come to the floor, vote for the motion, and then let us get it to the House and encourage House Members to do precisely the same thing. It is getting too late. If we wait too long, it won't matter what we do.

I yield the floor.

Mr. BURR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. CANTWELL). Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to a period for the transaction of morning business, with Senators allowed to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGES TO S. CON. RES. 70

Mr. CONRAD. Madam President, section 221(f) of S. Con. Res. 70, the 2009 budget resolution, permits the chairman of the Senate Budget Committee to revise the allocations, aggregates, and other appropriate levels in the resolution for legislation providing economic relief for American families, including reauthorizing the Temporary Assistance for Needy Families program. In addition, section 227 authorizes the chairman of the Senate Budget Committee to revise the allocations, aggregates, and other appropriate levels in the resolution for legislation making improvements in health care, including within Medicare (subsection

(b)), Medicaid (subsection (e)), and other health areas (subsection (f)). The revisions are contingent on certain conditions being met, including that such legislation not worsen the deficit over the period of the total of fiscal years 2008 through 2013 or the period of the total of fiscal years 2008 through 2018.

I find that H.R. 6331, the Medicare Improvements for Patients and Providers Act of 2008, satisfies the conditions of the reserve funds to provide economic relief for American families and improve America's health. Therefore, pursuant to sections 221(f) and 227, I am adjusting the aggregates in the 2009 budget resolution, as well as the allocation provided to the Senate Finance Committee.

I ask unanimous consent that the following revisions to S. Con. Res. 70 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2009—S. CON. RES. 70; REVISIONS TO THE CONFERENCE AGREEMENT PURSUANT TO SECTION 221 (f) DEFICIT-NEUTRAL RESERVE FUND TO PROVIDE ECONOMIC RELIEF FOR AMERICAN FAMILIES AND SECTION 227 DEFICIT-NEUTRAL RESERVE FUND TO IMPROVE AMERICAS HEALTH

(In billions of dollars)

Section 101	
(1)(A) Federal Revenues:	
FY 2008	1,875,401
FY 2009	2,029,653
FY 2010	2,204,695
FY 2011	2,413,285
FY 2012	2,506,063
FY 2013	2,626,571
(1)(B) Change in Federal Revenues:	
FY 2008	-3,999
FY 2009	-67,746
FY 2010	21,297
FY 2011	-14,785
FY 2012	-151,532
FY 2013	-123,648
(2) New Budget Authority	
FY 2008	2,564,247
FY 2009	2,538,301
FY 2010	2,566,665
FY 2011	2,692,500
FY 2012	2,734,141
FY 2013	2,858,583
(3) Budget Outlays	
FY 2008	2,466,678
FY 2009	2,573,384
FY 2010	2,625,623
FY 2011	2,711,441
FY 2012	2,719,543
FY 2013	2,851,826

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2009—S. CON. RES. 70; REVISIONS TO THE CONFERENCE AGREEMENT PURSUANT TO SECTION 221 (f) DEFICIT-NEUTRAL RESERVE FUND TO PROVIDE ECONOMIC RELIEF FOR AMERICAN FAMILIES AND SECTION 227 DEFICIT-NEUTRAL RESERVE FUND TO IMPROVE AMERICAS HEALTH

(In millions of dollars)

Current Allocation to Senate Finance Committee	
FY 2008 Budget Authority	1,100,859
FY 2008 Outlays	1,102,857
FY 2009 Budget Authority	1,085,721
FY 2009 Outlays	1,087,208
FY 2009–2013 Budget Authority	6,165,556
FY 2009–2013 Outlays	6,172,365
Adjustments	
FY 2008 Budget Authority	1,942
FY 2008 Outlays	1,924
FY 2009 Budget Authority	6,633
FY 2009 Outlays	6,516

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2009—S. CON. RES. 70; REVISIONS TO THE CONFERENCE AGREEMENT PURSUANT TO SECTION 221 (f) DEFICIT-NEUTRAL RESERVE FUND TO PROVIDE ECONOMIC RELIEF FOR AMERICAN FAMILIES AND SECTION 227 DEFICIT-NEUTRAL RESERVE FUND TO IMPROVE AMERICAS HEALTH—Continued

(In millions of dollars)

FY 2009–2013 Budget Authority	-3,859
FY 2009–2013 Outlays	-2,070
Revised Allocation to Senate Finance Committee	
FY 2008 Budget Authority	1,102,801
FY 2008 Outlays	1,104,781
FY 2009 Budget Authority	1,092,354
FY 2009 Outlays	1,093,724
FY 2009–2013 Budget Authority	6,161,697
FY 2009–2013 Outlays	6,170,295

IDAHOANS SPEAK OUT ON HIGH ENERGY PRICES

Mr. CRAPO. Madam President, in mid-June, I asked Idahoans to share with me how high energy prices are affecting their lives, and they responded by the hundreds. The stories, numbering over 1,000, are heartbreaking and touching. To respect their efforts, I am submitting every e-mail sent to me through energy_prices@crapo.senate.gov to the CONGRESSIONAL RECORD. This is not an issue that will be easily resolved, but it is one that deserves immediate and serious attention, and Idahoans deserve to be heard. Their stories not only detail their struggles to meet everyday expenses, but also have suggestions and recommendations as to what Congress can do now to tackle this problem and find solutions that last beyond today. I ask unanimous consent to have today's letters printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Senator Crapo, Thank you so much for all you are doing for the citizens in Idaho. Most of all, thank you for your assistance with my disability issues. I would like to share my story. I have been a Registered Nurse for 28 years working fulltime and overtime. In 2005, I developed some heart issues, but, at that time, was able to return to work. In August 2007, the heart condition deteriorated to the point I can now no longer work. I have been denied disability twice thus far. My physician has wanted me to attend cardiac rehabilitation, which we do not have available in Lewiston or Clarkston. The nearest is Moscow, Idaho, 30 miles away. Due to being turned down on disability and the rising cost of gasoline, I can no longer afford to drive to Moscow for the cardiac rehabilitation I need.

Thank you again. You truly seem to care more about your constituents than any other legislator I have ever encountered. I will be campaigning very strongly for you when the time comes.

JOY, Lewiston.

Senator, fuel is a big issue here in Idaho. As a lifelong Republican, I am wondering why, after six years with a Republican President, Senate and House, nothing was done then. What we are seeing now is a result from a lack of activity back then. I watched Bill Gates and the oil company execs totally dominate our Congressional folks. You have authorized spending billions for Iraq, but did nothing to promote hydrogen fuel cell development here. I think you are pandering to

the oil companies. It is said that fuel for the hydrogen vehicles would be too hard to dispense. Why not use it for schools where the vehicles could be fueled at the home base? We burn literally hundreds of thousands of gallons of fuel a year just in our local school districts. When you decide to act for the "real" future, then we will support you. At this house, Obama is looking better and better every day. Obama has earned his way this far. McCain has no answers other than a few pennies off the gas tax. Get real, Senator.

CHARLIE, Caldwell.

You asked what these fuel prices are doing to us. I live on a fixed income of \$650.00 a month, pay \$450 a month just for rent. So guess what? By the time you buy food, it is gone and I cannot afford to drive 80 miles a day and make \$7.00 an hour. I would spend it all just for gas, but I'm sure everybody else is in the same boat. But thanks for listening to an old man moan. I used to like to go fishing sometimes, but not this year, I guess. Thanks again.

MARCELLUS, Rupert.

Senator Crapo, I would love to share my story with you. I have a small business that takes me out of state a lot. I work on X-ray machines in hospitals around the country. It has gotten to where most hospitals cannot afford to replace their equipment, and my prices are going up due to travel. The higher my prices go, the less work I get due to short budgets, and so on. It has gotten to the point that I only have one job scheduled so far this year. I do not know how I am going to stay in business much longer.

I cannot understand how Congress can sit on their butts and say we cannot pump our own oil due to environmental concerns while China pumps 50 miles off of our cost. It is time we put the few liberals in their place and start taking care of our own before we have our own revolution, and the people take back our country from the do nothing government. I hope you act fast.

TODD.

Mike, Thank you for the opportunity to share my views on the energy crises.

First of all, I think the ethanol program is the biggest boondoggle the United States has ever supported. It takes almost as much energy to produce a gallon of ethanol as the gallon gives back. It cost more per gallon than gasoline, and gives far fewer miles per gallon than gasoline. It takes the food away from the livestock and poultry that we need to eat, or at least makes the feed for them more expensive. Are we not going backwards here?

I fully support nuclear energy. It is the only way to go for dependable electrical power generation. Unlike coal and natural gas, there is no fuel to mine or drill for, no transportation cost for that fuel and no air pollution resulting from burning that fuel.

Wind power electrical generation is a fine resource to pursue. It is very valuable in reducing the electrical load on the base loaded electrical generators. The more we can reduce the load on the base generators, the more energy we save.

We also need to expand our domestic oil production. We need to drill and get into production, ANWR in northeast Alaska. We need to get this done before Prudhoe Bay is depleted so we can utilize the existing Trans-Alaska pipeline. If I recall correctly, that pipeline and all related equipment has to be removed once it becomes inactive.

While on the subject of Alaska, I understand that some of the contention of the Iraqi people is how to divide up their oil wealth. How about looking at the system the